

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 409 - SB 730

March 8, 2013

SUMMARY OF BILL: Requires additional information to be submitted by agencies to the Secretary of State when submitting a rule proposal. Requires the Comptroller of the Treasury to include a statement of financial impact upon the filing of any rule with the Secretary of State. Establishes requirements for financial impact statements.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures – \$128,100/FY13-14
\$240,100/FY14-15 and Subsequent Years**

Assumptions:

- According to the Secretary of State, there will be no impact on the Department of State.
- Based on information provided by multiple departments, there will be no significant impact resulting from the additional information required when filing a rule.
- According to the Comptroller of the Treasury, additional personnel will be required to review the financial impact of the proposed rules.
- Four Auditor 3 positions will be required with an annual salary of \$45,228, benefits of \$12,797, and recurring operational expenditures of \$2,000.
- A recurring increase in state expenditures of \$240,100 [4 positions x (\$45,228 + \$12,797 + \$2,000)].
- Due to an effective date of January 1, 2014, first-year expenditures will be 50 percent of recurring expenditures. As a result, the increase in state expenditures for FY13-14 will be \$120,050 (\$240,100 x 50%).
- An additional one-time increase in state expenditures of \$8,000 for computers and office supplies.
- A total increase in state expenditures of \$128,050 (\$120,050 + \$8,000) in FY13-14.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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